

HOUSE OF REPRESENTATIVES—Monday, February 4, 1991

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We have been called to a day of prayers for peace, to lift our voices with the earnest petition that the conflicts will cease and people will be free to live in harmony with their neighbors.

We pray, O loving God, for our President and the leaders of other nations that they will be filled with wisdom and guidance as they seek the peace that is Your will for us.

We recall in our prayers, O God, the men and women of the armed services together with the commanders who lead them and the families who wait for them. May Your blessing, O God, which is new every morning, be with them always, and may Your benediction be for us, for all, and forevermore. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Tennessee [Mr. DUNCAN] please come forward and lead the House in the Pledge of Allegiance.

Mr. DUNCAN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Thursday, January 31, 1991:

H.R. 556. An act to provide for the Secretary of Veterans Affairs to obtain independent scientific review of the available scientific evidence regarding associations between diseases and exposure to dioxin and other chemical compounds in herbicides, and for other purposes.

APPOINTMENT AS MEMBER OF PRESERVATION OF JAZZ ADVISORY COMMISSION

The SPEAKER. Pursuant to the provisions of section 4 of Public Law 101-499, the Chair and the President pro tempore of the Senate jointly appoint Mrs. Lindy Boggs to the Preservation of Jazz Advisory Commission.

COMMUNICATION FROM CHAIRMAN OF THE COMMITTEE ON WAYS AND MEANS

The SPEAKER laid before the House the following communication from the chairman of the Committee on Ways and Means:

COMMITTEE ON WAYS AND MEANS.

Washington, DC, January 24, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, the Capitol, Washington, DC.

DEAR MR. SPEAKER: This is to advise you that, pursuant to sec. 8002 of the Internal Revenue Code, the following Members of the Committee on Ways and Means have been designated to serve on the Joint Committee on Taxation during the 102nd Congress:

Dan Rostenkowski (D., Ill.)
Sam M. Gibbons (D., Fla.)
J. J. Pickle (D., Tex.)
Bill Archer (R., Tex.)
Guy Vander Jagt (R., Mich.)

Sincerely yours,

DAN ROSTENKOWSKI,
Chairman.

SELECTION OF MEMBERS TO BE ACCREDITED AS OFFICIAL ADVISERS TO U.S. DELEGATIONS RELATING TO TRADE AGREEMENTS

The SPEAKER. Pursuant to the provisions of 19 U.S.C. 2211, and upon the recommendation of the chairman of the Committee on Ways and Means, the Chair has selected the following members of that committee to be accredited by the President as official advisers to the U.S. delegations to international conferences, meetings, and negotiation sessions relating to trade agreements during the 1st session of the 102d Congress:

Mr. ROSTENKOWSKI of Illinois;
Mr. GIBBONS of Florida;
Mr. JENKINS of Georgia;
Mr. ARCHER of Texas; and
Mr. CRANE of Illinois.

BUDGET OF THE U.S. GOVERNMENT FOR FISCAL YEAR 1992—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102-3)

The SPEAKER laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, referred to the Committee on Appropriations and ordered to be printed:

I. THE BUDGET MESSAGE OF THE PRESIDENT To the Congress of the United States:

I am pleased to present the *Budget of the United States Government for Fiscal Year 1992*.

The budget is consistent with the 5-year deficit reduction law enacted last fall. It recommends discretionary spending levels that fall within the statutory caps for defense, international, and domestic discretionary programs. It implements the entitlement savings and reforms enacted in the Budget Agreement. It conforms to the new pay-as-you-go requirements.

By holding the overall rate of growth of Federal Government spending to approximately 2.6 percent—below the inflation rate—the budget puts into effect the concept of a "flexible freeze," which is an essential means of bringing the budget into long-term balance.

The longest period of peacetime economic expansion in history has been temporarily interrupted. We can, however, return to growth soon—and proceed on the path to a new era of expansion. With that goal in mind, the budget places special priority on policies that will enhance America's potential for long-term economic growth, and that will give individuals the power to take advantage of the opportunity America uniquely offers.

To this end, I am again proposing tax incentives to increase savings and long-term investment.

On the spending side of the budget, the existence of a cap on domestic discretionary outlays rightly creates a competition for resources. Priorities must be set. This budget proposes that domestic investment be increased in the following key areas:

Education and Human Capital.—The budget proposes investments to prepare children better for school, to promote choice and excellence in our educational system, to improve math and science education, and to increase the access of low-income Americans to higher education.

Prevention and the New Generation.—The budget includes proposals to help

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

reduce illness and death from preventable diseases, and to reverse the long-term trend of underinvestment in children.

Research and Development and the Human Frontier.—The budget recommends an increase of \$3.4 billion in the Federal investment in research and development, with special emphasis on basic research, high performance computing, and energy research and development. It proposes to extend permanently the tax credit for research and experimentation to encourage private sector R&D investment. In addition, the budget reflects the Administration's continued commitment to expanding human frontiers in space and biotechnology.

Transportation Infrastructure.—The budget supports an expansion of the Federal Government's investment in highways and bridges to over \$20 billion within 5 years, and proposes substantial increases to improve the condition of the Nation's airports, to modernize the air traffic control system, and to continue to develop the transportation infrastructure for exploration and use of space.

America's Heritage and Environmental Protection.—The budget includes increased funds for the expansion and improvement of America's treasury of parks, forests, wildlife refuges, and other public lands; for the implementation of the Clean Air Act and other key environmental statutes; for the clean-up of pollution at various Federal facilities and at Superfund sites; and for protection and enhancement of coastal areas and wetlands.

Choice and Opportunity.—The budget provides: funds to help give parents greater choice in child care, health care, education, and housing; the resources to allow all Americans, especially those with low incomes, to seize the opportunities that such choice provides; and a proposal to establish Enterprise Zones to bring hope to our inner cities and distressed rural areas.

Drugs and Crime.—The budget further increases the Administration's investment in drug prevention, treatment, and law enforcement. And the budget substantially increases the resources available to help the Federal Bureau of Investigation fight crime, the Federal prosecutors prosecute criminals, and the Federal prison system accommodate those convicted of crimes.

To make such investments possible, the budget includes recommendations to terminate or reduce Federal investment in certain low-return programs, and proposes reforms to slow the continuing growth of mandatory entitlement programs and to increase fairness in the distribution of the benefits these programs provide.

In addition, the budget contains a new proposal to fund various programs now carried out by the States through a comprehensive block grant. The

States are continuing to develop new and innovative ways to deliver services more effectively. The budget not only highlights several of these innovations; it proposes to reinforce and build upon them.

The budget contains several proposals that reflect my commitment to managing government better. These include measures to improve accountability, to reduce waste, to reform regulation, to employ risk management budgeting in addressing threats to health and safety, and to set clear objectives and measure performance in meeting them.

Finally, consistent with the statutory caps enacted last year, the budget provides the resources necessary to maintain national security, and to better advance American interests abroad. As the budget goes to press, the timing of the resolution of the multinational coalition's efforts to reverse the aggression in the Persian Gulf is uncertain. For this reason, the budget reflects only a placeholder for Operation Desert Shield. A supplemental request for the incremental costs of Desert Shield, which includes Desert Storm, will be forwarded to the Congress in the coming weeks.

The priority investments embodied in this budget will help America prepare for the requirements and opportunities presented by a rapidly changing world. I look forward to working with the Congress in developing a budget that lays the groundwork for a brighter future, protects our national interests, and helps create the conditions for long-term economic growth and prosperity.

GEORGE BUSH.

FEBRUARY 4, 1991.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. MAZZOLI) laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC.
February 1, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, U.S. House of Representatives,
Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, the Clerk received at 11:58 a.m. on Friday, February 1, 1991, the following message from the Secretary of the Senate: That the Senate passed S. Con. Res. 8 and the Senate made appointments to the National Commission on Children.

With great respect, I am

Sincerely yours,

DONALD K. ANDERSON,
Clerk, House of Representatives.

ADMINISTRATION'S BUDGET: NOTHING BUT SMOKE AND MIRRORS

(Mr. RICHARDSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RICHARDSON. Mr. Speaker, once again, the administration's budget is nothing but smoke and mirrors. It starts out by making two unrealistic assumptions: That the recession will be over by summer and that the war will cost only \$15 billion. Why such a low war cost? The administration assumes our allies like Japan and Germany will contribute their fair share. If you believe these assumptions, I have a dream vacation in Baghdad I would like to sell you.

In this budget, there is good news for those in science and space. And there is good news if you have investments and want a cut in the capital gains tax. There's bad news for senior citizens who will have to absorb \$23 billion in Medicare cuts, there is bad news for parents that need loans to send their kids to college, there is bad news for hospitals struggling to stay open, and there is bad news for poor, newborn children trying to stay alive.

The debate this year will not be over how much money should be spent, but how it should be spent. There will be no peace dividend. Military savings cannot be used to finance domestic programs. Domestic programs will have to compete with each other.

Mr. Speaker, let us face it. There is one untouchable in this budget—the funds to pay for Desert Storm. And rightly so. But until that enormous cost is clear, this budget process, other issues and problems at home will have to wait.

GULF WAR DEMONSTRATIONS

(Mr. LAGOMARSINO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAGOMARSINO. Mr. Speaker, over this weekend in Buellton, CA in the heart of my congressional district, hundreds of American citizens rallied in support of our brave men and women fighting in Operation Desert Storm. I believe, and so do all the polls, that the vast majority of Americans strongly support our troops and Operation Desert Storm, though that always isn't evident on the news.

I strongly support the positive, pro-America rallies like the one in Buellton. Just as the standing ovation here in this Chamber during President Bush's State of the Union Address bolstered the morale of our troops and signaled to the Iraqis that we are united, strong and committed to our righteous objectives, so too are identical messages sent directly from the American people through support rallies.

The greatness of America lies in its freedoms. It is the right of any citizen to openly protest Operation Desert Storm, and some are. However, protestors should know that their actions have a negative impact on our forces on the front lines. Their actions could prolong fighting and be responsible for greater casualties. Further, their actions play right into Saddam Hussein's hands. Saddam Hussein has said "Iraqis feel gratitude to all Americans who demonstrate in the United States against the war. We are attentively following (them) and we will not forget"—that's a direct quote from the Iraqi dictator himself. We Americans won't forget, either.

As so well stated in the liberty song of our own American revolution, "Then join hand in hand, brave Americans all! By uniting we stand, by dividing we fall."

□ 1210

PRISONERS SHOULD NOT BE PAID TO TESTIFY IN COURT

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DARDEN. Mr. Speaker, today I am introducing legislation which will rescind the requirement that taxpayers pay prisoners to testify in Federal court. On January 8, 1991, in the case of Demarest versus Manspeaker the Supreme Court of the United States held that under current law prisoners that testify in Federal court must be paid an attendance fee as any other witness.

Mr. Speaker, it has been a longstanding policy of the Federal Government not to pay prisoners to testify in court. Federal appellate courts on several occasions in past years have ruled that the Congress never intended to compensate prisoners in any way for giving testimony in Federal court. The Justice Department through its regulations has always considered prisoners ineligible to receive witness related fees under title 28, section 1821 of the United States Code. The Treasury Department has had an agency policy not to pay fees to prisoners since the beginning of this century. The Congress has never expressed any intent to pay prisoners to testify.

Mr. Speaker, one conservative estimate that has come to my attention of the cost to the American taxpayer of paying prisoners to testify in Federal court is \$1 million a month or \$12 million a year. Such costs are bound to rise as prisoners discover this new way to collect money from the Government. Prisoners are likely to bring new lawsuits against the Government so that other prisoners can testify and collect fees.

Mr. Speaker, the taxpayer pays for the food, clothes, housing, medical care, law libraries, education courses, and other privileges that prisoners receive while they are incarcerated. We should not saddle the people with another multimillion dollar burden in the form of salaries for prisoners.

Mr. Speaker, I know the court did what it understood to be its job in rendering the decision that it did. Now we must do our job. The legislation that I am proposing today will remove any doubt about the intention of Congress when it comes to paying prisoners to testify in Federal court. We do not think that prisoners should be paid to be witnesses in court. Except for detained material witnesses, this bill would specifically disqualify any incarcerated person from receiving any of the payments included under section 1821 of title 28.

BE BRAVE, MELISSA

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, I come to the well today to talk about Melissa Ralhan-Nealy and to express our hope that she is safe somewhere in Kuwait or Iraq. I also want to express my concern to her parents, Leo and Joan Ralhan; I want them to know that our thoughts are with them today.

Mr. Speaker, Melissa is one of our superior military personnel. She is a motivated individual, like so many others that are serving us today in the Middle East. She joined the forces and went to the gulf for patriotic reasons. She also had a strong desire to increase and extend her advanced education.

At this time, when our citizens are called on to help their country, to join in the defense of a situation that we believe in, to be against aggression, it is only right that our daughters stand beside our sons in the armed services, and so I say today to Melissa, "I hope you're safe. Our thoughts are with you. Be brave, Melissa. We hope you are home soon. God bless you."

TEXTILE MACHINERY MODERNIZATION ACT OF 1991

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, today, I am reintroducing legislation entitled the Textile Machinery Modernization Act of 1991.

I encourage any Member that supports small businesses to cosponsor this legislation. The textile machinery industry consists of approximately 500 companies, employing some 17,800 citi-

zens nationwide. In fact, 86 percent of this industry is comprised of firms with 50 or fewer employees. These small businesses produce finished machinery, parts and accessories used in the production of textile mill products for apparel, defense, furniture, and industrial applications.

This legislation establishes a Textile Machinery Modernization Fund to support research for new technology to modernize the American textile machinery industry. This fund is made up of existing revenues collected from duties levied on imports of textile machinery.

Research and development is crucial to the future viability of all industry, including the domestic textile machinery industry. This legislation would establish the necessary R&D funds without raising tariffs or restricting imports. With the concern over the lack of civilian research and development, I believe it is time we took action to bolster a crucial domestic industry and preserve American jobs.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore (Mr. MAZZOLI) laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC,
January 31, 1991.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit three sealed envelopes received from the White House at 3:47 p.m. on Thursday, January 31, 1991, and said to contain the following:

- (1) A report entitled "National Drug Control Strategy, 1991."
- (2) A report entitled "1988 Aeronautics and Space Report of the President," and
- (3) "International Space Year for 1992 Report."

With great respect, I am
Sincerely yours,

DONNALD K. ANDERSON,
Clerk, House of Representatives.

PLANS AND PROGRAMS FOR INTERNATIONAL SPACE YEAR—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Science, Space, and Technology and the Committee on Foreign Affairs:

(For message, see proceedings of the Senate Thursday, January 31, 1991, at page 2658.)

PROGRESS IN AERONAUTICS AND SPACE DURING 1988—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Science, Space, and Technology:

(For message, see proceedings of the Senate of Thursday, January 31, 1991, at page 2658.)

NATIONAL DRUG CONTROL STRATEGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Armed Services, the Committee on Banking, Finance and Urban Affairs, the Committee on Education and Labor, the Committee on Foreign Affairs, the Committee on Government Operations, the Committee on Energy and Commerce, the Permanent Select Committee on Intelligence, the Committee on the Judiciary, the Committee on Merchant Marine and Fisheries, the Committee on Public Works and Transportation, the Committee on Science, Space, and Technology, and the Committee on Ways and Means:

(For message, see proceedings of the Senate of Thursday, January 31, 1991, at page 2659.)

SUPPORT FOR DESERT STORM FORCES, A NATIONAL ENERGY POLICY, AND BUDGETARY SUPPORT FOR CITIES AMONG GOALS FOR 102D CONGRESS

The SPEAKER pro tempore (Mr. BENNETT). Under a previous order of the House, the gentleman from Kentucky [Mr. MAZZOLI] is recognized for 5 minutes.

Mr. MAZZOLI. Mr. Speaker, having returned earlier from a weekend trip back home to my district, during which I spoke, as I usually do, to many people in various capacities, I have come back to Washington with a couple of thoughts that might be worth sharing with my colleagues and with those who are observing these proceedings.

One of those thoughts is that the sole objective which we have currently in the gulf is to make sure that all the men and women of Operation Desert Storm have available to them, without delay, all of the logistical assistance they may need to pursue the mission which the Commander in Chief has given them and to pursue and complete

that mission with the greatest degree of facility, of speed, of success, and of safety both to them, the combatants, and to the many innocents on both sides of the fighting.

We certainly have observed on television and read in newspapers the extent of the activity there, and it is such as to give us pause and concern. Very, very appropriately, yesterday was the day of prayer which was asked of the Nation by our Commander in Chief, our President, George Bush, because certainly these are times in which prayer may be the only means by which we can pass through this terrible challenge and this terrible period of sacrifice.

But, once again, while there is within the country still some concern as to how and why this war came to pass—I myself share this concern and dismay that at a time of such high technology and at a point in human civilization of such high sophistication we still resort to killing in order to solve problems and that we cannot solve them seemingly by more peaceful means—that debate which occurred right here on the House floor on those remarkable 3 days in the months of January has ended. We now, as I say, need to make sure that the men and women of Desert Storm have what they need to complete their mission. But once that mission is over, once the war is over, and once the sizable and daunting task of making peace and of rebuilding those areas begins, our job is still only partially over here in this body because we have a very strong obligation to complete the second phase of this, which is to establish a national energy policy.

While oil is not the only reason we are in the gulf region at this time, oil is one of the powerful reasons why we are there, and until we can extricate ourselves from the coils of the Middle Eastern supply of oil, until we eliminate our thralldom to oil and foreign energy, we will always be more prone and more susceptible of getting into these regional battles.

So certainly one of the great tasks of the 102d Congress, even while operation Desert Storm is ongoing, and when the war ends, is to make sure we have a national energy policy which encompasses both conservation and a movement toward alternative energy. That sentiment is shared by all of our people back home in Kentucky.

The second point I would bring up, Mr. Speaker has to do with the budget. This has been spoken to earlier today, and today the fiscal year 1992 budget was delivered by the President and was discussed by him the other night in this Chamber. We want to be sure that this budget does not ignore the needs of urban areas and the cities of our country and, for that matter, does not ignore the needs of rural areas and the more sparsely settled communities.

I hope my fears are not realized, but there is the potential that we will be so consumed and so fixated on the gulf, with all of the very legitimate reasons for us to concentrate on that area, that we may ignore the domestic budget. Our men and women are exposed to dangers in the gulf and, therefore, we certainly have to concentrate on them and that responsibility. But we cannot forget the domestic needs and concerns back home.

Just as recently as Friday, Mr. Speaker, in the conference room at the city hall, I had a chance to meet with Mayor Jerry Abramson and his deputy mayor, Joan Riehm and all of their city commissioners to talk about the needs of the city of Louisville, which, I am sure, coincide with the needs of all of our cities and communities around the country.

So I would say, Mr. Speaker, that while we give our greatest attention and all of our prayers to the Middle East and to the quick end of that battle, we should not forget that our responsibility, beyond creating an energy policy for the future so that we have fewer such conflagrations, includes our need to attend to the budget for the domestic needs of our country. Otherwise we will not have actually carried out the oath which all of us swore in this Chamber just a few days ago.

Mr. Speaker, we have a large challenge in the 102d Congress, but I think we can realize our needs and face that challenge.

THE PRESIDENT'S BUDGET FALLS SHORT OF MEETING UNMET NEEDS

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, we have just received the budget message. Clearly there is a budget crunch in this country. From my preliminary reading, I am afraid the administration's response is robbing Peter to pay Paul.

I have looked at three areas. For example, unemployment compensation. The administration is at last going to react to the administrative needs so that people like those in Michigan no longer will have to wait 5 or 6 weeks for their check when they are unemployed through no fault of their own, but they are going to have to take money from TAA people who are unemployed.

On student grants, there is going to be a shuffling from middle income students to those in lower income brackets. The middle income students apparently are going to be lost in the shuffle.

Let us take Medicare. The proposal is to cut billions of indirect medical education from hospitals in urban and sub-

urban areas that are feeling the brunt of the uninsured and those with AIDS and other diseases.

So what does this Nation need in facing this budget crunch? Not another shell game. It needs straight talk and sensitivity to unmet needs. From a preliminary reading of this budget of the administration's, there is no straight talk and little sensitivity to unmet needs.

SMALLEST CHILDREN ARE VICTIMS

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, we must reexamine our policies in calling up the reserves—and in deploying both the mother and father of small children to a combat zone. It is wrong to send both a mother and father to theater of war.

We talk about being a kinder gentler nation but, in this instance, the Pentagon is only looking at cold numbers and not at the heart of the Nation.

World War II was different. We never drafted only the sole provider of a family. With the Korean police action and in Vietnam we did not send both parents. Now that policy has changed. Since we have been promoting an All-Volunteer Army we should change the policy and protect our young children with the second parent doing duty in this country.

I am now calling on the Pentagon and Secretary Cheney to look at every case of deployment of both parents and—I ask them to leave one parent in this country. I have supported our action and that of allowing women to be almost on the front line—but the children are our future. They must be protected.

□ 1230

EPA TRIES, BUT LOSES, GRAND CANYON AIR BATTLE

(Mr. HOAGLAND asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HOAGLAND. Mr. Speaker, today I want to applaud the Environmental Protection Agency Administrator William Reilly for trying to attack head on the cleanup of the air in the Grand Canyon, a step long overdue. Unfortunately, Mr. Reilly, a man who has not shied away from taking bold steps to protect the environment, could not find sufficient support among his colleagues in the administration to do what really needed to be done.

We have learned from recent news reports that EPA proposed to reduce 90 percent of the sulfur emissions from a Navajo powerplant that is a significant

contributor to the persistent haze shrouding the Grand Canyon, one of the Nation's most spectacular natural wonders. EPA, however, lost the battle to the Office of Management and Budget and the Department of the Interior who propose reducing emissions by 70 percent.

This is disappointing news for several reasons. First, EPA's own analysis indicated that a 90-percent reduction in pollution would be more cost effective than a 70-percent cut. Further, if the administration had used the new allowance provisions of the new clean air law—provisions promoted by the administration which allow a utility to sell credits—a 90-percent cut would have been even more economical. The sale of allowances could have offset the cost of the controls needed to cut sulfur emissions by 90 percent.

Third, it is significant to note that a reduction of 70 percent leaves three times more pollution than a reduction of 90 percent. For example, if there are 100 tons of pollution and a plant reduces by 70 percent, 30 tons are left. If 90 percent is cut, 10 tons remain. Thus, the 70-percent reduction results in more pollution, a result which is contrary to the goal of the whole exercise.

Finally, one must question the dedication of the Department of the Interior to its basic goals. Interior is the lead Federal agency whose mission is to protect the Nation's natural resources. Interior is the steward of the Nation's parks, wildernesses, and refuges; but Interior, in this case, is part owner of the plant generating the pollution. Interior as both protector of the environment and generator of pollution seems to have lost sight of its environmental mission.

I have been very impressed and encouraged by Administrator Reilly's forward-looking approach these past 2 years. And I commended the Bush administration for proposing a clean air bill, a proposal that spurred a Congress that had been deadlocked for over 10 years. I hope that the decision on the Grand Canyon—one of the world's preeminent natural wonders—does not mean that this administration is already backsliding after signing into law a landmark clean air bill.

PROTEST OF EL SALVADOR VIOLENCE

The SPEAKER pro tempore (Mr. BENNETT). Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, our pressing concerns at home and abroad should not distract us from the recent upsurge of violence in El Salvador.

On January 2, leftist guerrillas shot two of our soldiers in cold blood after their helicopter crashed in El Salvador.

Now we have heard from Catholic Church officials in El Salvador that members of that country's military recently massacred 15 peasants.

According to a 17-page report, the soldiers stabbed and slit the throats of the victims, while their children watched from hiding places. The peasants, including a 14-year-old girl, apparently had ties to the Salvadoran rebels.

The Salvadoran military has denied involvement in the killings, but witnesses said the killers wore uniforms identifying them as government troops.

I urge our diplomats in El Salvador to thoroughly investigate this atrocity and other incidents attributed to either government or rebel forces.

Only then can we as a Congress make a clear judgment as to whether the Government of El Salvador deserves more military or economic help from the United States.

SCANDAL INVOLVING ATLANTA AGENCY OF BANCO NATIONAL DEL LAVORO

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, having had the privilege of living long enough, and having a very good memory, I recall before 1941, and in fact in the late thirties, the old trolley tracks in my hometown of San Antonio being torn up and sold to Japanese procurers of scrap iron and steel, so the day of the autobus was coming in.

There were those then, and I recall vividly they were considered sort of out of line, who were saying, well, the day is going to come when you are going to have all of that steel shot back at our soldiers.

Well, it certainly did seem that those in my generation would never have to go to war, much less be scattered to the four corners of the Earth, and some of them not to return.

I am forcibly reminded of that period because of some of the things that have now happened in our country, where it looks as if again we have not learned anything. We are like the Bourbon kings. We do not seem to learn anything or forget anything.

Mr. Speaker, let me preface my remarks before I go into them too much by expressing my gratitude to an outstanding staff member of the full Banking Committee. Let me say by way of parenthesis, so that some of my anxious colleagues who seem to think that as chairman I have total control of all the funding that is allocated to the Banking Committee, that actually about all I have is one-tenth of the staff, the total staff, that the Banking Committee lists as subcommittee staff and the like. One-tenth.

I have one-tenth of the budget for full committee chairman's discretion and direction.

I want to keep that in mind, because it is very important in order to exalt and to emphasize the preparation, what I call the genius of such a staffer, as Mr. Dennis Kane, who is the one that I want to give credit to for today's report.

I am here today to talk about the scandal involving the Atlanta branch of the large Italian Government-owned Banca Nazionale del Lavoro [BNL]. This is a sensational case in which former employees of the Atlanta branch of BNL approved over \$3 billion in supposedly unauthorized loans to Iraq over the latter half of the 1980's. Most of these loans were not reported to American or Italian banking officials, so it is said.

The BNL scandal is a case study in bank regulatory failure. It is apparent that the State and Federal bank regulatory agencies failed to adequately supervise BNL. The Banking Committee is presently investigating this matter.

The BNL scandal raises several additional concerns within the jurisdiction of the Banking Committee. Foremost is the adequacy of the regulation and supervision of U.S. branches and agencies of foreign banks. Entities like BNL command over \$575 billion in assets in the United States and over \$7.5 billion of their liabilities are guaranteed by the FDIC. The Banking Committee is quite concerned that the present sharing arrangement between the State and Federal bank regulatory agencies is inadequate to ensure these entities are properly supervised. This was certainly the case in the BNL affair. It is apparent that a thorough review of the International Banking Act is in order.

The BNL affair also raises the issue of whether or not we should allow U.S.-based financial institutions to be used as a conduit of foreign policy. It is time the committee delved into the intentions of foreign banks, especially those owned by foreign governments, and the role they play in our economy. We should ask ourselves: Should we permit foreign governments to carry out their foreign policy through our banking system, especially if it goes against our own interests? Should we permit foreign banks that are underwritten by foreign taxpayers to compete head on with our privately owned banks? One must wonder if it is fair for a foreign Government-owned bank to take business and jobs away from our privately owned domestic banks.

Maybe it is time we established a national screening board to monitor more closely foreign bank presence in the United States. Such a screening board could review applications for foreign bank entry into the United States, as well as monitor these banks to ensure they are not engaged in foreign policy activities or unfairly competing against our own firms.

BNL NOT JUST ANOTHER BANK REGULATORY FAILURE

The BNL scandal is not simply a bank regulatory failure, it is intimately linked with Iraq and the current gulf war. BNL loans permitted the export of almost a billion dollars of United States agricultural goods to Iraq. These loans not only permitted Iraq to feed its people, they freed up scarce foreign exchange that was used by Iraq to build up its military arsenal.

I have developed evidence clearly linking BNL loans to a network of companies that helped to build the Iraqi war machine; the same war machine or so-called coalition partners are now trying to destroy. It is also the same war machine that has taken the lives of some of our Nation's precious young adults, and placed over 500,000 of our soldiers directly in harms way.

Unfortunately, the United States and European technology and know-how used in building the Iraqi war machine may have been legal. Inadequate export control laws and the lack of enforcement of these laws among the industrial nations, permitted the export of sophisticated technology and know-how to Iraq. Instead of being employed in civilian projects, this technology was often used to build and improve Iraqi weapons. Many of the companies providing this technology to Iraq were financed directly by BNL loans, while many others were indirect beneficiaries of BNL moneys.

Of course deceit also played a large part in building the Iraqi war machine. It is quite probable that many of the companies providing technology and know-how to the Iraqi war machine did not realize they were doing so. During the 1980's Iraq established a sophisticated network of front companies charged with the mission of finding and exporting Western technology to Iraq. No expense was spared including possible bribes and higher than normal profits for the producers of the goods exported to Iraq.

One must wonder what the United States and the Western intelligence community knew about BNL's role in transferring technology to Iraq. It would be surprising if the intelligence community of the United States and those of our Western allies did not know about the transfer of this technology and its uses. It would be hard to believe that they did not know about BNL's role in building the Iraqi war machine.

The BNL affair also raises questions about our own and other Western governments policies toward Iraq. For the most part the West ignored massive human rights abuses in Iraq. Iraq used poison gas against Iran, and even its own citizens, the Kurds. Brutal Iraqi relocation policies made refugees out of over 100,000 Kurds. Iraq was a know heaven of terrorist groups. Through all of this, the United States and other

Western governments provided billions in export credit assistance to Iraq which had a history of being delinquent or not paying on its loans.

Over the next several months I will be taking the floor to talk about the many implications of the BNL scandal. Today I would like to start with some background material. I will introduce you to the strategy Iraq used to obtain Western technology that was ultimately used for military applications. I will provide background on the United States policy toward Iraq, background on BNL, and finally a summary of BNL's use of United States Government export credit programs.

At future dates I will provide an in-depth look at the warning signs the United States ignored in dealing with Iraq, provide a more detailed look at the Iraqi technology procurement network including BNL's role in financing that network, provide statistics on the West's role in building the Iraqi war machine, and finally the need for our society, and that of our allies, to stop the proliferation of weapons of mass destruction.

SUMMARY OF UNITED STATES POLICY TOWARD IRAQ

In order to set the stage for an in-depth look at the BNL scandal, it will be useful to take a quick look at United States policy toward Iraq during the past decade or so.

In 1979, during the Carter administration, Iraq was labeled as a nation that had consistently supported international terrorism. At one time or another, Iraq was reportedly providing state sponsored support for the notorious anti-Israeli group the Abu Nidal Organization and other terrorist organizations. Under the export controls operative at that time, a terrorist designation meant Iraq was prohibited from purchasing many United States goods including civilian aircraft or military equipment.

Shortly after this action the Iranian revolution and ensuing hostage crisis rocked United States policy in the region. At the same time, tensions between Iran and Iraq were mounting. In 1980, Iraq invaded Iran, starting a bloody war that would last nearly 8 years and claim hundreds of thousands of lives.

The loss of Iran was a severe strategic blow to the United States. The United States feared Iranian hegemony in Middle Eastern affairs and began to tilt toward Iraq as a counterbalance to the rise of Iran. In a controversial decision, the Reagan administration removed Iraq from the terrorist list in 1983, thus easing export controls that had been instituted in 1979. It appears the United States wanted Iran to lose the war so bad that it was willing to reestablish diplomatic relations with Saddam Hussein's terrorist regime after a 17-year interruption even

though many believed Iraq was still harboring terrorists.

Iraq was also friendly with Russia, and countering this influence in Iraq probably played a role in this United States decision to tilt toward Iraq. At the time, economic factors played little role.

Removing Iraq from the terrorist list also opened the door for United States Government guaranteed agricultural exports to Iraq which began in 1983. This was convenient, because at about the same time the U.S. agriculture community was experiencing surpluses in many agriculture commodities. The agriculture community supposedly saw Iraq as having long-term food needs that would present significant market opportunities for United States agricultural commodities.

In 1984, the United States officially reestablished diplomatic relations with Iraq even though in that same year Iraq had used poison gas in its war with Iran. Over the remaining years of the 1980's, Iraq continued to be one of the world's worst violators of human rights—a topic I will discuss at some length at a later date. Nevertheless, the administration continued to ignore massive human rights abuses.

As incredulous as it may seem, the United States reacted to all the human rights abuses, including Iraq gassing its own citizens, by expanding United States credit guarantee programs. From 1985 to 1990, the United States authorized over 4 billion in United States guaranteed agricultural exports to Iraq, the peak being \$1.1 billion in 1988.

While Iraqi participation in the agriculture export guarantee program was increasing dramatically, Iraq was in default on United States Export-Import Bank credit programs. After settling its differences with Iraq, in 1987, the Export-Import Bank opened up for business with Iraq by providing a \$200 million a year line of short-term insurance coverage for United States manufacturing exports to Iraq. These actions were probably taken to appease Saddam and his ambitious economic reconstruction program announced in 1987. The war with Iran ended in 1988, and Iraq was anxious to get the reconstruction program going. BNL would play a major role in the reconstruction effort.

THE IRAQI RECONSTRUCTION PROGRAM

With earnings from its huge oil reserves—second in the world to Saudi Arabia—Iraq entered the decade of the 1980's with hefty cash reserves. But its war with Iran—1980-88—and the drop in oil prices during the 1980's changed all that. Wartime weapons purchases coupled with domestic infrastructure expansion served to deplete Iraq's foreign exchange reserves.

Even though Iraq emerged from its war in poor financial condition, there was still some optimism regarding the

reconstruction program. Iraq's oil reserves and its educated work force led many experts to believe that if Iraq could manage its economy properly, it could fulfill the promises of the reconstruction program. But with oil prices stagnating, Iraq was in poor shape to pay for this ambitious reconstruction program.

Iraq had accumulated massive debts of some \$70 billion during the 8-year war with Iran. A good portion of Iraq's external debt was owed to Western bankers, and this debt had to be repaid in foreign exchange earned from oil exports. Since much of Iraq's oil earnings had to be earmarked for debt servicing, its reconstruction program was in jeopardy of failing.

Saddam reacted to this problem by calling on many foreign countries to reschedule and spread out loans that had been extended to Iraq. Iraq had showed favoritism in contracting to nations that remained loyal during the war with Iran. Iraq also preferred to deal with nations willing to reschedule debts. It has been reported that Iraq often threatened to default on its official debts if a nation would not reschedule its loans to Iraq. Iraq refused to reschedule loans with nations in a multilateral forum, a process referred to as the Paris Club. While this was a violation of stated United States policy, it was purportedly ignored because Iraq was for the most part current on its United States debt.

Complicating Iraq's debt problems, was the unwillingness of most Western banks to lend to Iraq without Government guarantees. At the date of the Iraqi invasion of Kuwait, United States-owned banks had an exposure to Iraq of a little over \$100 million. Western banks were not thought to have a relatively large net position in Iraq at the time of the invasion. Since few, if any, banks were willing to lend money to Iraq, Saddam turned to Western governments for help.

Many in the West perceived Iraq as a lucrative future export market. Iraq showed a distinct liking of Western technology and agricultural commodities. Many Western governments proved more than willing to provide the credit guarantees to capture part of the Iraqi market for their exporters.

With the help of the United States, through its CCC and Eximbank programs, and augmented by similar programs administered by several European and Asian countries, Saddam was able to keep his ambitious reconstruction going. But Saddam was not satisfied, he wanted more credit to fuel the reconstruction program. Enter BNL Atlanta.

BACKGROUND ON BNL AND ITS USE OF U.S. GOVERNMENT SPONSORED EXPORT CREDIT PROGRAMS

BNL is the largest Italian bank in terms of deposits. It is 96 percent Government-owned and has over \$100 bil-

lion in assets worldwide. BNL commands over \$8 billion in assets in the United States with offices based in Atlanta, New York, Chicago, Miami, and Los Angeles. Its North American headquarters are in New York. In addition, BNL has a commercial paper subsidiary, called BNL U.S. Corp., incorporated in Delaware and operating out of New York. BNL has offices throughout Europe and branches in Hong Kong, Singapore, and a representative office in Tokyo. BNL also has subsidiaries in Canada and The Netherlands Antilles.

THE RAID ON BNL U.S. OPERATIONS

In July 1989, the Federal Reserve Bank of Atlanta was notified by the FBI of a substantial off-book operation at the Atlanta agency of Banca Nazionale del Lavoro. On August 4, 1989, the Federal Reserve, accompanied in Atlanta by the FBI and U.S. attorney in Atlanta, raided the U.S. operations of BNL.

Based on information gathered from that raid, it was apparent that BNL-Atlanta was conducting massive off-book transactions. The Atlanta office was lending and raising billions that it did not report on its financial statements or in its bank regulatory statements.

The off-book lending probably began in February 1987. These transactions, kept on a set of secret books, were purportedly established to conceal the excessive Iraqi loans from BNL's headquarters in Rome.

The off-book transactions were originally used to finance commodity exports to Iraq. The first such transaction occurred in February 1987 with Rafidain Bank of Baghdad, Iraq. The following paragraphs provide some background on BNL-Iraq participation in the agriculture credit programs.

USDA-CCC EXPORT CREDIT GUARANTEE PROGRAMS

The U.S. Department of Agriculture's [USDA] Commodity Credit Corporation [CCC] is authorized under the CCC Charter Act and related legislation to develop and administer programs to expand U.S. agricultural export markets. During the early 1980's, CCC devised two main credit guarantee programs to accomplish this mission; the GSM-102 and GSM-103 export credit guarantee programs. These programs target countries that have potential for additional food purchases, but are short on cash and need credit. The USDA looks at a potential participant country's long-term food needs, market development opportunities for U.S. commodities, as well as the ability of a country to repay credit extended under the programs. The USDA also receives input from the U.S. export industry, before a final decision is made on which countries will be eligible to utilize the programs.

The GSM-102 and GSM-103 programs both work in a similar manner. Essentially, the CCC guarantee operates to

attract credit from the private sector to finance sales of U.S. agricultural commodities, rather than having the Government provide credit directly. The principle and most significant differences between the GSM-102 and GSM-103 programs is the length of the credit terms. Depending on individual country announcements, GSM-102 guarantee programs can cover financing terms up to 3 years. Under the GSM-103 program, credit guarantees are provided for periods from 3 to 10 years, although typically financing coverage does not extend beyond 7 years.

Prior to the beginning of each year, USDA, through its commodity divisions and the attaché service of the Foreign Agricultural Service [FAS], enter into discussions with foreign countries interested in the GSM programs. FAS then allocates the amounts of credit guarantees among potential participating countries, establishing specific country lines by commodity. These proposals are then presented to an interagency group—the National Advisory Council—for its advice.

Under both programs CCC first announces the availability of coverage for eligible countries. After the announcement, U.S. agricultural exporters register sales to the eligible country, and pays a guarantee fee to CCC.

Transactions under both programs must be covered by an irrevocable letter of credit issued by a CCC-approved bank located in the importing country. This was the Rafidain Bank in the case of Iraq. U.S. exporters usually assign the guarantee to a United States or foreign bank which then provides the financing of the export transaction.

In the case of the GSM-102 program, Congress mandated that CCC make available no less than \$5 billion annually in short-term credit guarantees. Under the GSM-103, program Congress established a ceiling level which for the most recent fiscal year was \$1 billion.

IRAQ UTILIZATION OF CCC CREDIT GUARANTEES

Iraq began purchasing United States commodities under the GSM program in 1983, just prior to the United States and Iraq reestablishing diplomatic relations that had been severed for 17 years. The following chart summarizes Iraq use of the GSM program.

SUMMARY OF SALES APPROVED UNDER CCC CREDIT GUARANTEE PROGRAMS FOR IRAQ

(In millions of dollars)

	GSM-102	GSM-103	Total
Fiscal year:			
1983	364.5	0	364.5
1984	646.1	0	646.1
1985	340.1	0	340.1
1986	392.9	9.7	392.9
1987	652.5	85.1	652.5
1988	1,112.1	83.3	1,112.1
1989	1,088.8	38.4	1,088.8
1990	495.4	0	495.4
Total	4,862.7	216.5	5,079.2

On August 2, 1990, the USDA suspended Iraq from the GSM-102/103 Program. As of the latest reading, the total GSM Program exposure to Iraq is approximately \$2 billion. Of this amount, CCC owes BNL between \$347 million—BNL says \$382 million—because of Iraqi nonpayment.

BNL, IRAQ, AND CCC

BNL had extensive dealings with high level Iraqis. Employees of BNL frequently visited Iraq and high-ranking government officials often made trips to the United States to meet with BNL employees.

After BNL was raided by Government officials in August 1989, the Department of Agriculture was alerted to what appeared to be irregularities in the BNL/Iraqi GSM 102-103 Programs. CCC investigated several irregularities which included:

First, unusually high prices obtained by exporters in connection with 102 sales to Iraq involving BNL;

Second, shifting of some freight and freight financing costs to CCC, thus lowering the amount of guarantee authority under the 102 Program that could be used by others;

Third, utilization of after-sales services in violation of CCC regulations;

Fourth, Iraq requiring exporters to pay a stamp tax, a policy that is supposed to be prohibited under the 102 Program.

Upon concluding its review, CCC asked the USDA's Office of Inspector General to conduct a thorough investigation of all CCC-guaranteed sales to Iraq. CCC will take the appropriate administrative or civil action in the event that the OIG report disclose wrongful violation of program requirements. The CCC is also waiting for the results of the Justice Department's ongoing criminal investigation of BNL when more information will become available.

BNL is also being investigated for links to several tobacco exporting companies that have pled guilty or are being investigated for shipping foreign source tobacco to Iraq in violation of CCC Program regulations. BNL financing of illegal sugar exports is also under review. To date, the CCC has not suspended BNL from participating in the GSM-102/103 Program.

The following sections explain the Eximbank Credit Guarantee Program Iraq participated in with BNL.

IRAQ UTILIZATION OF EXPORT-IMPORT BANK PROGRAMS

Like the GSM-102/103 Programs, Iraq used BNL to finance many of its imports transactions using Eximbank insurance programs. Eximbank finances U.S. exports by providing guarantees, insurance, and loan support. The Eximbank programs utilized by Iraq include the short-term single buyer policy which was utilized mainly by American exporters, and the bank letter of credit insurance policy which

was utilized by banks like BNL. Both programs indemnify the insured party—a United States exporter or a bank—against the risk of Iraqi nonpayment.

From July 1987 to August 2, 1990, the Export-Import Bank [Eximbank] provided Iraq with \$200 million of short-term insurance coverage, insuring against Iraqi nonpayment for up to 360 days. In testimony before the House Banking Committee, Eximbank officials stated, " * * * we cautiously opened in Iraq only for short-term insurance despite tremendous pressure from the American business community as well as competition from foreign export credit agencies * * * " Eximbank also received tremendous pressure from the Government of Iraq, which was continually requesting that Eximbank expand its coverage to include medium- and long-term insurance coverage.

Eximbank was cautious about its exposure to Iraq because of a history of Iraqi payment delinquencies. In fact, for 18 months prior to opening with Iraq in 1987, Eximbank had suspended Iraq because of payment delinquencies. As recent as July 20, 1990, Eximbank had to pay an exporter \$53,000 because of Iraqi refusal to make good on a contract insured by Eximbank.

In total, Eximbank has insured hundreds of millions of dollars of exports to Iraq. The current Eximbank exposure to Iraq is \$73.5 million, of which \$55 million is for amounts outstanding and \$18.5 million represents potential exposure. The potential exposure of \$18.5 million relates to shipments which did not take place prior to August 2, 1990. Since these exports were banned, Eximbank should be able to take these guarantees off its books.

Under the Eximbank Letter of Credit Program with Iraq, BNL was insured for 51 export transactions with a dollar value of \$47 million. Of this amount \$43.8 million has been repaid by Iraq. Eximbank currently owes BNL the remaining \$3.2 million because Iraq defaulted on several letters of credit that were funded by BNL and insured by Eximbank.

BNL LOANS FOR IRAQI RECONSTRUCTION PROGRAM

Officials from the Atlanta office of BNL had developed a close working relationship with high-level Iraq Government officials due to BNL participation in the CCC Credit Guarantee Program. As the war with Iran ended in 1988, BNL Atlanta was asked to take a bigger role in the reconstruction program by financing noncommodity exports to Iraq. While these loans were supposed to help rebuild the Iraqi civilian economy, many went to improve the Iraqi war machine.

Lending under these agreements took the form of four "medium-term loan agreements [MTL's] signed with the Central Bank of Iraq [CBI]. These loans

had 5- to 7-year maturities and 2- to 5-year grace periods. BNL was able to borrow such large amounts of money because of its reputation and, more importantly, its top-notch credit rating. The loan agreements are summarized below.

Note	Date	Amount
MTL I	2/22/88	\$200 million.
MTL II	10/6/88	300 million.
MTL III	12/3/88	500 million.
MTL IV	4/8/89	1.155 billion.

By the time regulators raided BNL a majority of the loans had already been disbursed. Disbursement took several forms. Sometimes BNL paid exporters directly. Sometimes the Central Bank of Iraq would pay an exporter directly and then BNL would make a payment to the CBI's account at a U.S. bank that covered the dollar equivalent of all foreign currency payments made by CBI. Other times, BNL would lend directly to CBI by placing funds in CBI accounts.

As of January 1990, a total of \$1.55 billion had been drawn and committed under these agreements. After the raid, Iraq still insisted that BNL make good on the remaining loans still outstanding under the agreements. After months of intense negotiations, on January 24, 1990, BNL and Iraq renegotiated the four MTL's. They agreed that the residual \$600 million or so would be utilized for new transactions, two-thirds of which would finance projects, the supplies and services coming from Italian firms and one-third could be used for purchases from other countries.

You might wonder why BNL renegotiated the loans. It's simple, under international law the contracts signed with BNL were valid. So Iraq threatened not to repay the money it already owed to BNL unless BNL made good on the remaining balance of the loans.

INTRODUCTION TO IRAQI TECHNOLOGY PROCUREMENT NETWORK

Besides providing an example of botched bank supervision, BNL provides an example of a less evident, but more profound policy failure; the failure to stop arms proliferation.

The spread of ever more sophisticated weaponry—including chemical, biological, and nuclear weapons—and of the missiles capable of carrying them, represents a growing danger to international security. Arms proliferation exacerbates and fuels regional tensions, complicates U.S. defense planning, and poses ever greater dangers to U.S. forces and facilities abroad.

The West's policy toward Iraq is a case study in the dangers of failing to stop arms proliferation. Many of our coalition partners sold weapons directly to Iraq. The United States and many coalition partners, either directly or indirectly, provided Iraq with the technology and know-how needed to build and improve the very weapons

capability we are now engaged in destroying.

A recent episode of the ABC-TV show "20/20" highlights the dangers of allowing sophisticated U.S. technological know-how to get into the wrong hands. A U.S. company developed a feared weapon called a "cluster bomb." The United States had prohibited the sale of this bomb to Iraq, but this did not stop Iraq.

Arms dealers apparently bought the know-how to produce the cluster bomb from the American company that developed the bomb for the U.S. military. The arms dealers then modified the plans slightly, applied and were granted a U.S. patent, and then sold the plans to other arms dealers outside the United States, who built a cluster bomb factory. Iraq was grateful; it purchased thousands of bombs and may have even built its own bomb factory. Needless to say, the Iraqi cluster bombs now threaten the lives of our soldiers in the gulf.

Third world nations like Iraq, wishing to obtain dominance in their regions by using the military might, too often do not have to rely on obtaining the weapons of mass destruction directly.

Instead, these nations take advantage of nonexistent or poorly enforced export control laws in the West to obtain the technology and know-how to build weapons facilities on their own home soils. Iraq was one such nation.

IRAQIS SUCCESSFUL IN OBTAINING WESTERN TECHNOLOGY

The Iraqis were quite successful in obtaining western technology. During the 1980's, Iraq established ownership or control of a sophisticated network of United States and European front companies whose primary mission was to obtain western military technology and know-how and export it back to Iraq. The Iraqis were very secretive in their dealings and were careful to conceal their true affiliation.

An example of the success of this network is the Taji Complex, a cannon factory outside of Baghdad. This project was long considered a civilian industrial complex, and many western nations provided the technology and know-how to build it. Last year, a German Government investigation concluded Taji was meant for the manufacture of gun barrels. Many European and United States companies provided technology for this plant.

Hopefully, coalition air forces have destroyed the Taji Complex. But the Taji Complex is just one example of the Iraqi strategy. Over the next several months I will acquaint you with other Iraqi military applications made possible by Western technology and BNL financing.

A recent example of a company linked to the Iraqi network is the Cleveland, Ohio-based machine tool company, Matrix-Churchill. Iraqis se-

cretely owned Matrix-Churchill and its affiliate in England and used both to obtain computer-controlled lathes and other industrial machinery that went into the Taji Cannon Complex.

Upon gaining control of the Cleveland-based Matrix-Churchill, the Iraqi's set up a procurement division within the company. The procurement side of the company received its orders, mostly in Arabic, directly from Baghdad. It was apparently charged with finding other United States companies that would build industrial plants in Iraq. Matrix-Churchill helped find U.S. contractors to build a Fiberglass plant and sophisticated cutting tool plant in Iraq. The cutting plant may have been used to manufacture parts with nuclear applications, while the Fiberglass plant was supposedly used to produce missile casings.

Ironically, the U.S. Government and our Western allies often granted export licenses for such plants, thus permitting countries like Iraq access to such sophisticated technology. This was the case with the above plants. The United States Customs Service confiscated Matrix-Churchill in September 1990, calling it an "Iraqi front company."

HUNDREDS OF SUCH COMPANIES?

It is likely that the Iraqi network used dozens of United States and European companies to supply the needed technology and know-how to upgrade Iraqi military capability. It is debatable whether or not these companies knew the ultimate destination of their products. Some probably did; some probably did not. These companies were often lured into supplying Iraq by higher than normal profits and even bribes.

WHERE WAS THE INTELLIGENCE COMMUNITY?

As I stated earlier, it is hard to believe that the United States intelligence community or that of our allies did not know about the applications of technology being transferred to Iraq. It is also hard to believe BNL escaped the attention of the intelligence community. These organizations monitor overseas telexes and phone conversations. Did they fail to discover the over 3,000 telexes between BNL and Iraqi Government agencies, many providing information detailing loans to companies that were building the Taji complex and other military related projects within Iraq?

They also monitor travel between the United States and Iraq. Did they fail to discover the many visits BNL employees made to Iraq and vice versa, and the purpose of such visits?

Given the magnitude of the loans to Iraq, and the projects that some of the loans were going to finance, one would almost be justified in asking the question: If the United States and Western intelligence community did not know about BNL, did they fail to do their job properly?

Obviously, many exporters knew they were building or supplying machinery and know-how to weapons plants in Iraq. If it was common knowledge among exporters that many of the supposed "industrial facilities" in Iraq, like the Taji complex, were actually military plants, one would think the Western intelligence community would know about these plants? I would also like to think our Government would have severely reprimanded Iraq for such activities. Maybe the United States intelligence community did not know, because Iraq was never severely penalized.

□ 1320

Mr. Speaker, at the end of my remarks I am including some tables and also copies of correspondence between the Honorable Richard L. Thornburgh, the Attorney General of the United States, and myself. Let me say that the Attorney General was very, very much opposed to my calling and holding the hearings last November.

My colleagues can read what I said by way of explanation in this letter. I will just read the first paragraph. I said to the Attorney General: "The purpose of this letter is to respond to your letter of September 26, 1990, and to express my distress over your apparent lack of understanding of the investigative and legislative functions of the Congress."

Mr. Speaker, there is only one of the three basic constitutional powers inherent in the Congress and not delegatable that has remained, I would say, fairly intact and upheld by Supreme Court decision after Supreme Court decision, and that one is the right for the Congress to know, seek, and obtain information. Our purpose is legislative because we have the task of having to plug this tremendous hole in our regulatory structure that allows, even now as I speak, close to 600 billion dollars' worth of credit resources in this country to be used in a way that may not be perceived now any more than it was before August 2, 1990.

Mr. Speaker, the tables and correspondence to which I referred are included as follows:

BNL PARTICIPATION IN CCC PROGRAMS

TABLE L-1.—ANNOUNCED AVAILABILITY OF ALL-RISK FINANCING GUARANTEES APPLICABLE UNDER THE TRADITIONAL CCC EXPORT CREDIT GUARANTEE PROGRAM (GSM-102) DURING FISCAL YEAR 1983

(In millions of dollars)		
Country and commodity	Announced value of all-risk financing guarantees availability	Announced period of coverage (months)
Iraq:		
Wheat/flour	137.0	36
Rice	80.0	36
Feed grains	13.0	36
.....	47.33	

TABLE K-1.—ANNOUNCED COMMERCIAL CREDIT LINES—BY COUNTRY AND COMMODITY DURING FISCAL YEAR 1984

(In millions of dollars)					
Country and commodity	GSM—102 guarantees			Direct credit GSM-5	Credit period (months)
	Straight	Blended	Total		
Iraq:					
Feed grains	168.4		168.4		36
Seeds, planting	10.0		10.0		36
Protein meal	86.4		86.4		36
Rice	197.0		197.0		36
Tobacco	17.0		17.0		36
Wheat	203.0		203.0		36
Subtotal	681.8	0.0	681.8	0.0	681.8

TABLE K-1.—ANNOUNCED COMMERCIAL CREDIT LINES—BY COUNTRY AND COMMODITY DURING FISCAL YEAR 1984

(In millions of dollars)				
Country and commodity	GSM—102 guarantees			Credit period (months)
	An-nounced	Registered	Balance	
Iraq:				
Beef/poultry parts	9.00	0	9.00	36
Corn	45.00	5.20	39.80	36
Feed grains	60.00	0	60.00	36
Fruits/veg. canned	3.00	0	3.00	36
Lentils	11.00	2.80	8.20	36
Livestock, breeding	15.00	.90	14.10	36
Meats, canned	2.00	0	2.00	36
Oilseeds	7.50	0	7.50	36
Planting seeds	12.00	11.40	0.60	36
Potatoes	3.00	0	3.00	36
Protein meal	107.50	16.50	91.00	36
Rice	180.00	178.80	1.20	36
Sugar	20.00	14.70	5.30	36
Tallow/grease	15.00	4.40	10.60	36
Tobacco	25.00	13.70	11.30	36
Veg. oils	5.00	3.20	1.80	36
Wheat	160.00	88.50	71.50	36
Subtotal	680.00	340.10	339.90	

TABLE K-1.—ANNOUNCED COMMERCIAL CREDIT LINES—BY COUNTRY AND COMMODITY DURING FISCAL YEAR 1986

(In millions of dollars)				
Country and commodity	GSM—102 guarantees			Credit period (months)
	An-nounced	Reg-istered	Balance	
Iraq:				
Beans, dry edible/peas/lentils	15.0	8.2	6.8	36
Corn	64.3	33.0	31.3	36
Cotton and/or cotton yarns/wool	20.0	15.6	4.4	36
Hides and/or skins and/or leather	16.0	11.4	4.6	36
Oilseeds/protein meals and/or protein concentrates of veg./animal origin	51.0	36.4	14.6	36
Planting seeds	12.0	11.2	0.8	36
Rice	115.0	91.9	23.1	36
Soft drink concentrate	7.0	6.8	.2	36
Sugar (U.S. grown & refined)	23.0	22.5	.5	36
Veg. oils and/or tallow	24.0	24.0	0	36
Wheat	110.0	107.5	2.5	36
Wheat flour	17.7	14.7	3.0	36
Subtotal	475.0	383.2	91.8	36

TABLE K-1A.—ANNOUNCED COMMERCIAL CREDIT LINES—BY COUNTRY AND COMMODITY DURING FISCAL YEAR 1986

(In millions of dollars)				
Country and commodity	GSM—103 guarantees			Credit period (years)
	An-nounced	Reg-istered	Balance	
Iraq:				
Tobacco	15.0	0.0	15.0	4.7

TABLE K-1A.—ANNOUNCED COMMERCIAL CREDIT LINES—BY COUNTRY AND COMMODITY DURING FISCAL YEAR 1986—Continued

(In millions of dollars)				
Country and commodity	GSM—103 guarantees			Credit period (years)
	An-nounced	Reg-istered	Balance	
Breeder livestock	10.0	9.7	0.3	4.5
Subtotal	25.0	9.78	15.3	

TABLE K-1.—ANNOUNCED COMMERCIAL CREDIT LINES—BY COUNTRY AND COMMODITY DURING FISCAL YEAR 1987

(In millions of dollars)				
Country and commodity	GSM—102 guarantees			Credit period (months)
	An-nounced	Reg-istered	Balance	
Iraq:				
Barley	10.0	6.7	3.3	36
Beans/peas lentils, dry edible	12.5	12.4	.1	36
Corn	6.4	56.3	.1	36
Cotton and/or cotton yarns	30.0	17.0	13.0	36
Hides and/or skins (including a full range of further processed commodities such as wet blue hides and fully finished leather)	9.9	9.8	.1	36
Planting seeds	10.8	10.3	.5	36
Poultry meat, frozen	59.1	59.1	0	36
Protein concentrates (animal or vegetable origin)	17.0	16.9	.1	36
Protein meals	55.9	55.9	0	36
Rice	107.9	107.8	.1	36
Soft drink and/or fruit juice concentrate	13.0	12.8	.2	36
Sugar (U.S.-grown and refined)	40.5	40.5	0	36
Tallow	9.3	9.3	0	36
Veg. oils	15.9	15.9	0	36
Wheat	88.0	82.1	5.9	36
Wheat flour	17.9	17.9	0	36
Wood products (lumber, match-sticks, pulp)	33.5	31.6	1.9	36
Wool	5.7	5.1	.6	36
Subtotal	593.3	567.4	25.9	

TABLE K-1A.—ANNOUNCED COMMERCIAL CREDIT LINES—BY COUNTRY AND COMMODITY DURING FISCAL YEAR 1987

(In millions of dollars)				
Country and commodity	GSM—103 guarantees			Credit period (years)
	An-nounced	Reg-istered	Balance	
Iraq:				
Breeder livestock (incl. breeder chicks and/or hatching eggs)	8.0	7.4	.6	4-7
Eggs, table	10.0	9.4	.6	4-5
Protein concentrates (animal or vegetable origin)	44.0	44.0	0	4-7
Tobacco	25.0	24.3	.7	4-7
Subtotal	87.0	85.1	1.9	

TABLE K-1.—ANNOUNCED COMMERCIAL CREDIT LINES, BY COUNTRY AND COMMODITY, DURING FISCAL YEAR 1988

(In millions of dollars)

Country and commodity	GSM-102 guarantees			Credit period (months)
	Announced	Registered	Balance	
Iraq:				
Barley	13.0	13.0	0	36
Barley malt, hops and/or hop extract	0.8	0.8	0	36
Beef, frozen (incl. frozen beef and lamb variety meats)	2.77	2.77	0	36
Concentrates (fruit juice and/or soft drink)	8.2	8.1	.1	36
Corn thickeners	.56	.56	0	36
Cotton and/or cotton yarns	59.79	59.79	0	36
Feed grains	113.60	113.60	0	36
Hides and/or skins	2.1	2.1	0	36
Infant milk formula	4.8	4.8	0	36
Leather (semi and/or fully-finished—incl. a full range of further processed commodities such as crust leather)	5.82	5.82	0	120
Lumber	53.40	53.40	0	36
Milk powder, dry (full fat)	16.2	16.2	0	36
Planting seeds	12.50	12.43	.07	36
Protein concentrates (animal or vegetable origin)	48.2	48.2	0	36

TABLE K-1.—ANNOUNCED COMMERCIAL CREDIT LINES, BY COUNTRY AND COMMODITY, DURING FISCAL YEAR 1988—Continued

(In millions of dollars)

Country and commodity	GSM-102 guarantees			Credit period (months)
	Announced	Registered	Balance	
Protein meals	85.4	85.4	0	36
Pulses (dry edible peas, beans, lentils)	16.17	16.17	0	36
Rennet, natural calf (U.S.)	.5	.3	.2	36
Rice	265.98	265.98	0	36
Sugar (U.S.-grown and refined)	68.0	67.5	.5	36
Tallow	14.18	14.18	0	36
Veg. oils	26.52	26.52	0	36
Wheat	134.59	134.59	0	36
Wood cants (U.S.)	2.9	2.9	0	36
Wood products, solid (plywood)	21.14	21.14	0	12
Wood pulp	46.2	46.2	0	36
Wool/wool yarn	7.41	7.41	0	36
Undesignated	10.77	0	10.77	
Subtotal	1,041.50	1,029.86	11.64	

1 Days.

TABLE K-1A.—ANNOUNCED COMMERCIAL CREDIT LINES, BY COUNTRY AND COMMODITY, DURING FISCAL YEAR 1988

(In millions of dollars)

Country and commodity	GSM-103 guarantees			Credit period (years)
	Announced	Registered	Balance	
Iraq:				
Breeder livestock (incl. breeder chicks and hatching eggs)	35.4	32.3	3.1	4-7
Protein concentrates (animal or vegetable origin)	22.7	24.1	3.6	4-7
Tobacco	26.9	26.9	0.0	4-7
Subtotal	90.0	83.3	6.7	

BNL PARTICIPATION IN EXPORT-IMPORT BANK PROGRAMS

Insname	Supname	City, and State	Import name	Products	Amount cleared	Date authorized
BNL-Atlanta	Petrogen Intl Ltd	Richmond, VA	ST ENT Iron & Steel	Oxy-Gas Cutting Torches	230,000	Feb. 23, 1988
BNL-Atlanta	Gould Electronics	Woodbridge, NJ	Iraqi Grain Board	Spare Parts for elect equip	195,614	Feb. 25, 1988
BNL-Atlanta	Ransome Company	Houston, TX	Oil Equipment Co	Arc Welding equipment	283,193	Apr. 8, 1988
BNL-Atlanta	Marnwood Ltd	Baltimore, Md	Rayon State Estab	Cooling plant parts	144,884	Apr. 12, 1988
BNL-Atlanta	Trading & Inv Corp	Charlotte, NC	Al Hilal Ind Estab	Air cooler parts	352,560	May 11, 1988
BNL-Atlanta	Snap-On Tools	Kenosha, WI	Light Industries Co	Spare parts	217,090	May 11, 1988
BNL-Atlanta	RD & D Intl Inc	Vienna, VA	Sadam Gen Estabmt	Machine Tools and Tech svcs	3,805,938	May 11, 1988
BNL-Atlanta	CDP Intl Inc	Sydney, OH	Iraqi Trading Co	A/C compressors	1,928,505	May 11, 1988
BNL-Atlanta	Lobel Chemical Corp	New York, NY	St Org Mech & Ag Sup	Herbicide	247,005	May 11, 1988
BNL-Atlanta	Ransome Company	Houston, TX	Oil Equipment Co	(12) Welding machines	15,584	May 17, 1988
BNL-Atlanta	Telwar Intl Inc	Nashville, TN	Modern Paint Indust	Chem raw mat and solvents	806,423	May 17, 1988
BNL-Atlanta	West Point	West Point, GA	St Establish Cotton	Spare parts for looms	20,108	May 25, 1988
BNL-Atlanta	Munradtech Ltd	Detroit, MI	North Cement St Ent	(2) 35 ton dump trucks	297,926	May 25, 1988
BNL-Atlanta	Mobay Crop Dyes	Rock Hill, SC	St Est Leather Ind	Leather dyes	59,500	May 25, 1988
BNL-Atlanta	Bristol Myers Intl		St Co. Drugs & Med Ap	Pharmaceuticals	348,750	June 7, 1988
BNL-Atlanta	Videojet System Intl	Elk Grove Village, IL	St Ent Beverages	Coding machine and parts	45,487	June 14, 1988
BNL-Atlanta	McNeil Akron, Inc	Akron, OH	New Tyres Project	(26) Tube presses	1,796,448	June 14, 1988
BNL-Atlanta	Breezevale Inc	Woodbridge, NJ	Iraqi Trading Co	Tires and tubes	5,249,649	June 21, 1988
BNL-Atlanta	Copeland Intl Inc		Iraqi Trading Co	A/C compressors	147,120	June 23, 1988
BNL-Atlanta	Breezevale Inc	Woodbridge, NJ	Iraqi Trading Co	Tires and tubes	683,194	June 29, 1988
BNL-Atlanta	Gould Electronics	North, MA	Genl Cement St Ent	Controller modicum	127,942	June 29, 1988
BNL-Atlanta	American Textile	Gastonia, NC	St Est for Cotton	Polyester yarn	1,210,000	July 18, 1988
BNL-Atlanta	Cyanamid Intl Sales	Wayne, NJ	Agric Supplies	Vet pharmaceuticals	267,000	July 15, 1988
BNL-Atlanta	Med-Tek Intl	New York, NY	St Co Drugs & Medical	C. T. Scanner parts	448,009	July 15, 1988
BNL-Atlanta	Ceva Labs	Wayne, NJ	Agric Supplies	Vet pharmaceuticals	177,550	July 15, 1988
BNL-Atlanta	DOW Chemical		Agric Supplies	Lorsban and Dursban	1,497,000	July 15, 1988
BNL-Atlanta	American Ex-Im	Southfield, MI	Electronic Indust Co	Electronic parts and mat	2,100,000	July 22, 1988
BNL-Atlanta	John Deere Co		Misan St Sugar Ent	Spare parts	94,913	Aug. 3, 1988
BNL-Atlanta	Warner Lambert Co	Morris Plains, NJ	St Co Drugs & Med App	Pharmaceuticals	19,332	Aug. 4, 1988
BNL-Atlanta	Carey Agri Intl	Brandon, FL	Agric Supplies Co	Embryo Transfer Supplies	72,740	Oct. 31, 1988
BNL-Atlanta	West Point Foundry	West Point, GA	St Est Cotton	Spare parts	33,803	Oct. 31, 1988
BNL-Atlanta	Singer Products	Great Elk, NY	St Battery Manuf	Spare parts	80,244	Oct. 31, 1988
BNL-Atlanta	Draper Corp	Spartanburg, NC	St Est Cotton	Spare parts	77,326	Oct. 31, 1988
BNL-Atlanta	Al Haddad	Des Plaines, IL	St Ent Pup & Paper	Rubber blankets	67,143	Oct. 31, 1988
BNL-Atlanta	Al Haddad	Nashville, TN	St Ent Pup & Paper	Reed Cutter knives	67,494	Oct. 31, 1988
BNL-Atlanta	Nash Intl Co	Norwalk, CT	St Ent Pup & Paper	Vacuum pumps	313,760	Oct. 31, 1988
BNL-Atlanta	Al Haddad	Nashville, TN	St Ent Pup & Paper	Paper and board mach blades	48,272	Oct. 31, 1988
BNL-Atlanta	EMU Inc	Des Plaines, IA	St Est Leather Ind	Various chemicals	332,820	July 26, 1988
BNL-Atlanta	Telwar Intl	Nashville, TN	Modern Paint Indust	Paint solvent and thinner	179,200	June 29, 1988
BNL-Atlanta	EMU Inc	Buffalo, NY	St Est Leather Ind	Varnish, wax and paint	326,670	July 18, 1988
BNL-Atlanta	Carey Agri	Brandon, FL	Agric Supplies Co	Vet pharmaceuticals	1,233,870	Nov. 17, 1988
BNL-Atlanta	Cyanamid Intl	Wayne, NJ	Agric Supplies Co	20 tons of aurofac	178,000	Nov. 17, 1988
BNL-Atlanta	Stork Gamco		Agric Supplies Co	Spare parts	1,050,234	Nov. 29, 1988
BNL-Atlanta	Amer Cast Iron Pipe	Birmingham, AL	Amanat Baghdad	Ductile iron pipe	6,000,000	Dec. 20, 1988
BNL-Atlanta	Draper Corp	Spartanburg, SC	St Est Cotton Indust	Spare parts	96,213	Feb. 9, 1989
BNL-Atlanta	Top Value	Mount Vernon, NY	St Co Drugs & Med App	Spare parts	700,084	Feb. 9, 1989
BNL-Atlanta	EMU Inc	Buffalo, NY	St Est Leather Indust	Collophane and dry pexol	19,400	Feb. 9, 1989
BNL-Atlanta	Telwar Intl	Nashville, TN	Modern Paint Indust	Chem raw materials	9,712,000	Apr. 10, 1989
BNL-Atlanta	WVR Scientific	San Francisco, CA	Agric Supplies Co	Lab Equipment	126,848	June 27, 1989

Source: Eximbank Oct. 12, 1990.

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, September 26, 1990.Hon. HENRY B. GONZALEZ,
Chairman, Committee on Banking, Finance,
and Urban Affairs, U.S. House of Rep-
resentatives, Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to express my profound disappointment in your decision to ignore the strong objections of this Department in the Banca Nazionale del Lavoro (BNL) matter. I am similarly distressed by your refusal last evening to discuss the matter with me.

Your intention to schedule a hearing for October 9th on the investigation of unauthorized loans to Iraq by BNL and the request to interview both the Assistant United States Attorney and the government witnesses in the case raises the prospect that culpable parties will elude prosecution. Your staff is fully aware of the existence of our ongoing criminal investigation and the likely impact that these actions will produce on our efforts.

As you should be aware, this is a sensitive case with national security concerns. The United States Attorney in Atlanta advises

me that both witness security and the willingness of witnesses to continue to cooperate with the investigation and prosecutions will be jeopardized by your Congressional staff interviews and hearing.

Mr. Chairman, a decision to proceed with these interviews and the hearing at this time significantly diminishes the Department's ability to successfully prosecute this matter. Accordingly, we again request that your staff work with the Department to find alternatives that allow both the legislative

and the law enforcement processes to function.

Sincerely,

DICK THORNBURGH,
Attorney General.

COMMITTEE ON BANKING, FINANCE

AND URBAN AFFAIRS,

Washington, DC, September 28, 1990.

Hon. RICHARD L. THORNBURGH,
Attorney General, Washington, DC.

DEAR MR. ATTORNEY GENERAL: The purpose of this letter is to respond to your letter of September 26, 1990, and to express my distress over your apparent lack of understanding of the investigative and legislative functions of the Congress.

On September 21, 1990, I agreed to allow my staff to meet with your staff to discuss the Justice Department's concerns related to the Banking Committee's investigation of the Atlanta Agency of Banca Nazionale Del Lavoro (BNL). During, and subsequent to this meeting, your staff was unable to comply with my request for specific justification for suspending this most important inquiry.

Specifically, the Justice Department failed to reveal how interviewing employees from the Federal Board, the Federal Reserve Bank of Atlanta, the Department of Banking and Finance of the State of Georgia, and current and former employees of BNL would, as your letter states, "significantly diminish the Justice Department's ability to successfully prosecute this matter." In addition, the Justice Department failed to demonstrate how the Banking Committee's investigation would jeopardize the personal security of witnesses or inhibit their cooperating with the Justice Department's investigation of BNL.

As Chairman of the Banking Committee, I am concerned that the regulation and examination of the U.S. branches and agencies of foreign banks (see the International Banking Act 92 Stat. 607) is inadequate. These entities command over \$500 billion in assets in the U.S., and a significant portion of their liabilities are guaranteed by the Federal Deposit Insurance Corporation (FDIC). The magnitude of the BNL fiasco (i.e., \$2.8 billion in unauthorized loans to Iraq), while not directly posing a risk of the FDIC, certainly raises the question of the adequacy of state and federal regulation and oversight of these entities. Rest assured, in order to ensure the U.S. branches and agencies of foreign banks do not pose an undue risk to the already beleaguered FDIC, the Banking Committee will continue to investigate the adequacy of the regulation and examination of these entities. The BNL case provides a clear case of a regulatory breakdown that needs to be understood and addressed.

With regard to the Banking Committee's legislative interest in BNL, the Federal Reserve has notified me that the BNL investigation uncovered a loophole in the criminal code that will probably allow former employees of BNL to escape Federal prosecution for fraud, theft, embezzlement, misapplication of funds, and bribery. You can be sure that I will continue to work to correct this over decade long Justice Department oversight. I have been given permission by the Rules Committee, and I intend to offer, a Floor amendment to the crime bill that will close this loophole in the criminal code.

I hope this letter has served to properly inform you as to the Banking Committee's legislative and investigative interests in BNL. I

trust the Justice Department will provide it full cooperation.

Sincerely,

HENRY B. GONZALEZ,
Chairman.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. MAZZOLI, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GLICKMAN, for 60 minutes each day, on February 5 and 6.

Mr. BILBRAY, for 5 minutes, on February 5 and 6.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. LAGOMARSINO) and to include extraneous matter:)

Mr. GREEN of New York.

Mr. KOLBE.

Mr. GRADISON.

Mr. CLINGER.

Mr. MICHEL.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. LANTOS in two instances.

Mr. STARK in three instances.

Mr. CLEMENT.

Mr. DORGAN of North Dakota.

Mr. STOKES.

Mr. PENNY.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN of California in 10 instances.

Mr. ANNUNZIO in six instances.

Mrs. LLOYD in five instances.

Mr. HAMILTON in 10 instances.

Mr. DE LA GARZA in 10 instances.

Mr. MATSUI in three instances.

Mr. ERDREICH.

Mr. HOCHBRUECKNER.

ENROLLED BILL SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 556. An act to provide for the Secretary of Veterans Affairs to obtain independent scientific review of the available scientific evidence regarding associations between diseases and exposure to dioxin and other chemical compounds in herbicides, and for other purposes.

SENATE BILL REFERRED

[Omitted from the Congressional Record of Thursday, January 31, 1991]

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 296. An act to amend the Immigration and Nationality Act to provide for special immigrant status for certain aliens who have served honorably (or are enlisted to serve) in the Armed Forces of the United States for at least 12 years; Committee on the Judiciary.

ADJOURNMENT

Mr. GONZALEZ. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 23 minutes p.m.), the House adjourned until tomorrow, Tuesday, February 5, 1991, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

537. A letter from the Deputy Assistant Secretary (Communications, Computers and Logistics), Department of the Air Force, transmitting notification of the decision to convert to contractor performance the military family housing maintenance function at Little Rock Air Force Base, AR, pursuant to Public Law 100-463, sections 8061 (102 Stat. 2270-27); to the Committee on Appropriations.

538. A letter from the Deputy Director, Defense Research and Engineering, Department of Defense, transmitting notification of one additional fiscal year 1991 test project, pursuant to 10 U.S.C. 2350a(g); to the Committee on Armed Services.

539. A letter from the Deputy Secretary of Defense, transmitting a waiver of limitation on obligation against stock funds, pursuant to Public Law 101-510, section 311; to the Committee on Armed Services.

540. A letter from the Acting Chair, the Appraisal Subcommittee, Federal Financial Institutions Examination Council, transmitting the 1990 annual report, pursuant to Public Law 101-73 section 1103(a)(4) (103 Stat. 512); to the Committee on Banking, Finance and Urban Affairs.

541. A letter from the Deputy Under Secretary for Policy, Planning and Analysis, Department of Energy, transmitting the Department's notification that the report on energy projections will be forthcoming no later than July 31, 1991, pursuant to 42 U.S.C. 7361(a); to the Committee on Energy and Commerce.

542. A letter from the Assistant General Counsel, Department of Energy, transmitting a notice of a meeting related to the International Energy Program to be held on January 24, 1991, at the OECD, in Paris, France; to the Committee on Energy and Commerce.

543. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a copy of Presidential Determination No. 91-12, authorizing the furnishing of assistance from the emergency refugee and migration assistance fund for unexpected urgent needs

of refugees and conflict victims in Africa and the Middle East, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on Foreign Affairs.

544. A letter from the Director, Defense Security Assistance Agency, transmitting a report of those foreign military sales customers with approved cash flow financing in excess of \$100 million as of October 1, 1990, pursuant to 22 U.S.C. 2765(a); to the Committee on Foreign Affairs.

545. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of Katherine Shirley, of Illinois, to be Ambassador to the Republic of Senegal, and members of her family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

546. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

547. A letter from the Board for International Broadcasting, transmitting a copy of the Board for International Broadcasting 1991 annual report; to the Committee on Foreign Affairs.

548. A letter from the Administrator, Cost Accounting Standards Board, transmitting the first annual report, pursuant to Public Law 100-679, section 5(a) (102 Stat. 4062); to the Committee on Government Operations.

549. A letter from the Chairman, Advisory Commission on Intergovernmental Relations, transmitting the Commission's 32d annual report of the Advisory Commission on Intergovernmental Relations, pursuant to 42 U.S.C. 4275(3); to the Committee on Government Operations.

550. A letter from the Acting Cochairman, Appalachian Regional Commission, transmitting a report of the Commission's compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

551. A letter from the Chairman, Commodity Futures Trading Commission, transmitting a report of the agency's compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

552. A letter from the Executive Assistant, Mississippi River Commission, Corps of Engineers, Department of the Army, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1990, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

553. A letter from the President, Export-Import Bank, transmitting a report of the Bank's compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

554. A letter from the Chairman, Merit Systems Protection Board, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1990, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

555. A letter from the Chairman, National Labor Relations Board, transmitting a report of the agency's compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

556. A letter from the Executive Secretary, National Security Council, transmitting a report on its activities under the Freedom of Information Act for calendar year 1990, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

557. A letter from the Staff Director, U.S. Commission on Civil Rights, transmitting a report of the agency's compliance with the requirements of the internal accounting and administrative control system, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

558. A letter from the Assistant Secretary, Land and Minerals Management, Department of the Interior, transmitting a report on six compensatory royalty agreements relating to oil or gas which were entered into during fiscal year 1990 involving unleased Government lands, pursuant to 30 U.S.C. 226(g); to the Committee on Interior and Insular Affairs.

559. A letter from the Assistant Secretary for Indian Affairs, Department of the Interior, transmitting a proposed plan for the use of the Seminole Nation of Oklahoma judgment funds, pursuant to Public Law 101-277, section 3(a) (104 Stat. 143); to the Committee on Interior and Insular Affairs.

560. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

561. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

562. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

563. A letter from the Assistant Attorney General for Legislative Affairs, Department of Justice, transmitting the Department's annual report on the assets forfeiture fund for the fiscal year 1990, pursuant to 28 U.S.C. 524(c)(6)(A); to the Committee on the Judiciary.

564. A letter from the Chairman of the Board, Panama Canal Commission, transmitting the Commission's report, including unaudited financial statements, covering the operations of the Panama Canal during fiscal year 1990, pursuant to 22 U.S.C. 3722; to the Committee on Merchant Marine and Fisheries.

565. A letter from the Director, Office of Personnel Management, transmitting a copy of the fiscal year 1990 report on the implementation of the Federal Equal Opportunity Recruitment Program, pursuant to 5 U.S.C. 7201(e); to the Committee on Post Office and Civil Service.

566. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to expand eligibility for readjustment counseling services furnished by the Department of Veterans Affairs to veterans who are serving in Operation Desert Storm, or who served during other periods of armed hostilities after the Vietnam era; to the Committee on Veterans' Affairs.

567. A letter from the Acting Chairman, U.S. International Trade Commission, trans-

mitting the Commission's 64th quarterly report on trade between the United States and nonmarket economy countries, pursuant to 19 U.S.C. 2441(c); to the Committee on Ways and Means.

568. A letter from the Secretary of Defense, transmitting a copy of Presidential exemptions in the interest of national defense, relating to apportionments, internal accounting controls, and use of authority to provide for the cost of an airborne alert and increased military personnel, pursuant to 10 U.S.C. 2201; jointly, to the Committees on Armed Services and Appropriations.

569. A letter from the Chairman, Advisory Committee on Reactor Safeguards, Nuclear Regulatory Commission, transmitting a report on various issues of the Safety Research Program of the Nuclear Regulatory Commission, pursuant to 42 U.S.C. 2039; jointly, to the Committees on Energy and Commerce and Interior and Insular Affairs.

570. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting a report on the transfer of property to the Republic of Panama under the Panama Canal Treaty of 1977 and related agreements, pursuant to 22 U.S.C. 3784(b); jointly, to the Committees on Foreign Affairs and Merchant Marine and Fisheries.

571. A letter from the Comptroller General of the United States, transmitting a report on the assignment or detail of General Accounting Office employees to congressional committees as of January 11, 1991; jointly, to the Committees on Government Operations and Appropriations.

572. A letter from the Executive Director, U.S. Holocaust Memorial Council, transmitting a draft of proposed legislation to authorize appropriations to carry out the programs of the U.S. Holocaust Memorial Council; jointly, to the Committees on House Administration, Interior and Insular Affairs, and Post Office and Civil Service.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. STOKES (for himself, Mr. LEWIS of California, Mr. DYMALLY, and Mr. MFUME):

H.R. 775. A bill to establish summer science academies for talented students, particularly economically disadvantaged, minority participants, and for other purposes; jointly, to the Committees on Science, Space, and Technology and Education and Labor.

By Mr. SHARP (for himself, Mr. DINGELL, Mr. SLATTERY, and Mr. TOWNS):

H.R. 776. A bill to provide for improved energy efficiency; to the Committee on Energy and Commerce.

By Mr. SHARP (for himself, Mr. DINGELL, Mr. SLATTERY, and Mr. TOWNS):

H.R. 777. A bill to amend the Energy Policy and Conservation Act; to the Committee on Energy and Commerce.

By Mr. SHARP (for himself, Mr. DINGELL, Mr. MARKEY, Mr. SLATTERY, and Mr. TOWNS):

H.R. 778. A bill to provide additional authority to draw down the strategic petroleum reserve; to the Committee on Energy and Commerce.

By Mr. SHARP (for himself, Mr. DINGELL, Mr. SWIFT, Mr. SLATTERY, and Mr. TOWNS):

H.R. 779. A bill to increase the Nation's use of natural gas by simplifying and streamlining current regulatory requirements for new natural gas pipeline construction; to the Committee on Energy and Commerce.

By Mr. SHARP (for himself, Mr. MARKEY, Mr. SWIFT, Mr. SLATTERY, and Mr. TOWNS):

H.R. 780. A bill to amend the Internal Revenue Code of 1986 to provide incentives for generating electricity using solar, wind, or geothermal energy and to encourage energy and water conservation; to the Committee on Ways and Means.

By Mr. BUSTAMANTE:

H.R. 781. A bill to delay the planned increase in the annual deductibles for health care under the Civilian Health and Medical Program of the uniformed services until the end of the Persian Gulf conflict; to the Committee on Armed Services.

By Mr. CLINGER:

H.R. 782. A bill to amend the Federal Aviation Act of 1958 to authorize the Secretary of Transportation to reduce under certain circumstances the percentage of voting interests of air carriers which are required to be owned or controlled by persons who are citizens of the United States; to the Committee on Public Works and Transportation.

By Mr. DARDEN:

H.R. 783. A bill to amend title 28, United States Code, to make incarcerated individuals ineligible for witness fees; to the Committee on the Judiciary.

By Mr. DORGAN of North Dakota (for himself, Mr. JENKINS, Mr. CHANDLER, Mr. GRANDY, Mr. RAMSTAD, Mr. HORTON, Mr. OXLEY, Mr. VALENTINE, Mr. MACHTELEY, Ms. LONG, Mr. HEFNER, Mr. CHAPMAN, Mr. HUGHES, Mr. ZIMMER, Mr. SUNDQUIST, Mr. KLECZKA, Mr. KOLTER, Mr. JONTZ, Mr. MARTINEZ, Mr. WALSH, Mr. COMBEST, Mr. STENHOLM, Mr. PRICE, Mr. SMITH of Florida, Mr. BRUCE, Mr. FORD of Tennessee, Mr. WEBER, Mr. RAHALL, Mr. BARNARD, Mr. ENGLISH, Mr. WALKER, Mr. GEJDESON, Mr. SYNAR, Mr. JOHNSON of South Dakota, Mr. GALLEGLY, Mr. BURTON of Indiana, Mr. EMERSON, Mr. HALL of Texas, Mrs. BYRON, Ms. PELOSI, Mr. TORRES, Mr. MOLLOHAN, Mr. KOSTMAYER, Mr. PETERSON of Minnesota, and Mr. FOGLIETTA):

H.R. 784. A bill to amend the Internal Revenue Code of 1986 to extend the deduction for health insurance costs of self-employed individuals for an indefinite period, and to increase the amount of such deduction; to the Committee on Ways and Means.

By Mr. GREEN of New York:

H.R. 785. A bill to amend the Internal Revenue Code of 1986 to make it clear that housing cooperatives are exempt from the provisions of section 277 of such code; to the Committee on Ways and Means.

By Mr. HOCHBRUECKNER:

H.R. 786. A bill to provide for full statutory wage adjustments for prevailing rate employees, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. LEVIN of Michigan (for himself, Ms. KAPTUR, Mr. REGULA, and Mrs. COLLINS of Illinois):

H.R. 787. A bill to amend the Trade Act of 1974 to strengthen and expand the authority of the U.S. Trade Representative to identify trade liberalization priorities, and for other purposes; jointly, to the Committee on Ways and Means and Energy and Commerce.

By Mrs. LLOYD (for herself, Mr. MORRISON of Washington, Mr. MCEWEN, and Mr. HUBBARD):

H.R. 788. A bill to maintain a competitive, financially strong, and secure uranium enrichment capability in the United States by reorganizing the uranium enrichment enterprise, and for other purposes; jointly, to the Committees on Energy and Commerce; Interior and Insular Affairs; and Science, Space, and Technology.

By Mr. MCCLOSKEY:

H.R. 789. A bill to amend title 10, United States Code, to require the Armed Forces to provide not less than 10 minutes of free telephone calls a month for a member of the Armed Forces serving in a combat zone; to the Committee on Armed Services.

By Mr. ROYBAL:

H.R. 790. A bill to amend the Internal Revenue Code of 1986 to require tax-exempt hospitals to provide sufficient charity care and community benefits, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. PENNY:

H.R. 791. A bill to amend the Internal Revenue Code of 1986 to require the participation in general election debates of any candidate who receives public campaign financing, and to establish criteria for participation of certain candidates in election debates; to the Committee on House Administration.

By Mr. SOLOMON:

H.R. 792. A bill to amend the Internal Revenue Code of 1986 to restore the prior law exclusion for scholarships and fellowships and to restore the deduction for interest on educational loans; to the Committee on Ways and Means.

By Mr. SWIFT (for himself, Mr. ANDREWS of Texas, Mr. BOEHLERT, Mr. BRYANT, Mr. BUSTAMANTE, Mr. DICKS, Mr. DWYER of New Jersey, Mr. FASCELL, Mr. FLAKE, Mr. FORD of Tennessee, Mr. FROST, Mr. GALLO, Mr. GILMAN, Mr. GUARINI, Mr. HOCHBRUECKNER, Mr. HORTON, Mr. HUTTO, Mr. LEHMAN of Florida, Mr. LENT, Mr. LIVINGSTON, Mr. LOWERY of California, Mr. MCCOLLUM, Mr. McDERMOTT, Mr. MANTON, Mr. MARTIN of New York, Ms. MOLINARI, Mr. MONTGOMERY, Mr. MORRISON of Washington, Mr. MRAZEK, Mr. ORTIZ, Mr. PARKER, Mrs. PATTERSON, Mr. PAXON, Mr. RANGEL, Mr. RINALDO, Mr. ROYBAL, Mr. RUSSO, Mr. SAXTON, Mr. SKEEN, Mr. SMITH of New Jersey, Mr. SMITH of Florida, Mr. SOLOMON, Mr. STAGGERS, Mr. TAUZIN, and Mrs. UNSOELD):

H.R. 793. A bill to amend chapter 83 of title 5, United States Code, to extend the civil service retirement provisions of such chapter which are applicable to law enforcement officers to inspectors of the Immigration and Naturalization Service, inspectors and canine enforcement officers of the U.S. Customs Service, and revenue officers of the Internal Revenue Service; to the Committee on Post Office and Civil Service.

By Mr. ERDREICH:

H.J. Res. 105. Joint resolution proposing an amendment to the Constitution relating to Federal budget procedures; to the Committee on the Judiciary.

MEMORIALS

Under clause 4 of rule XXII:

11. The SPEAKER presented a memorial of the Legislature of the State of Oklahoma, relative to U.S. troops in Saudi Arabia and the Persian Gulf; to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 82: Ms. PELOSI.
H.R. 87: Mr. ANNUNZIO.
H.R. 122: Mr. LIGHTFOOT.
H.R. 133: Mr. TALLON and Mr. KOLTER.

H.R. 154: Mr. BREWSTER, Ms. LONG, Mr. ROWLAND of Georgia, Mrs. PATTERSON, Mr. JONES of Georgia, Mr. APPELGADE, Mr. PENNY, Mr. JENKINS, Mr. HEFNER, Mr. RICHARDSON, Mr. STENHOLM, Mr. PAYNE of Virginia, Mr. PARKER, Mr. SLATTERY, Mr. HAMMERSCHMIDT, Mr. EVANS, and Mr. PICKETT.

H.R. 179: Mr. ABERCROMBIE.

H.R. 180: Mr. BREWSTER, Ms. LONG, Mr. ROWLAND of Georgia, Mrs. PATTERSON, Mr. JONES of Georgia, Mr. APPELGADE, Mr. HEFNER, Mr. JENKINS, Mr. RICHARDSON, Mr. STENHOLM, Mr. PAYNE of Virginia, Mr. PARKER, Mr. SLATTERY, Mr. HAMMERSCHMIDT, Mr. EVANS, Mr. PICKETT, and Mr. EDWARDS of California.

H.R. 217: Mr. MACHTELEY, Mr. JEFFERSON, Mr. WALSH, Ms. ROS-LEHTINEN, Mr. SCHAEFER, and Mr. FROST.

H.R. 302: Mr. TAUZIN.

H.R. 311: Mr. HENRY.

H.R. 352: Mr. GOSS, Mr. HUNTER, Mr. WYDEN, Mr. LIVINGSTON, Mr. HORTON, Mr. GILMAN, Mr. STEARNS, Mr. LENT, Mr. COMBEST, Mr. MORAN, Mr. MACHTELEY, Mr. BONIOR, Mr. BALLENGER, Mr. DORNAN of California, Mr. RHODES, Mr. SOLOMON, Mr. BUSTAMANTE, Mr. KYL, Mr. JEFFERSON, Mr. APPELGADE, Mr. LANCASTER, Mrs. BYRON, Mr. GALLO, Mr. DOOLITTLE, Mr. BEREUTER, Mr. WASHINGTON, Mr. WALSH, Mr. TOWNS, Mr. RITTER, Mr. BURTON of Indiana, and Mrs. MEYERS of Kansas.

H.R. 460: Mr. HERTEL, Mr. LIPINSKI, Mr. JONTZ, Mr. ABERCROMBIE, and Ms. KAPTUR.
H.R. 461: Mr. COBLE, Ms. LONG, Mr. MOODY, Mr. BARTON of Texas, and Mr. WOLPE.

H.R. 550: Mr. COSTELLO, Mr. LIPINSKI, and Mr. HUCKABY.

H.R. 559: Mr. MOODY and Mr. FROST.

H.R. 586: Mr. RUSSO and Mr. WOLPE.

H.R. 587: Mr. PENNY, Mr. NOWAK, and Mrs. COLLINS of Illinois.

H.R. 650: Ms. PELOSI.

H.R. 652: Mr. McNULTY, Mr. FORD of Michigan, Mr. HERTEL, Mr. ABERCROMBIE, Mr. HUCKABY, Mr. BACCHUS, Mrs. BOXER, and Mr. BONIOR.

H.R. 659: Mrs. LLOYD, Mr. WOLF, Mr. GORDON, Mr. ROGERS, Mr. ROE, Mr. CARDIN, Mr. ZIMMER, Mr. LIPINSKI, Mr. JONTZ, and Ms. KAPTUR.

H.R. 759: Mr. ALLARD, Mr. FRANKS of Connecticut, Mr. HAMMERSCHMIDT, and Mr. WILSON.

H.R. 773: Mr. DIXON and Mr. WAXMAN.

H.J. Res. 1: Mr. ABERCROMBIE, Mr. ACKERMAN, Mr. ANDREWS of Maine, Mr. ANDREWS of Texas, Mr. ATKINS, Mr. AUCCOIN, Mr. BOEHLERT, Mrs. BOXER, Mr. BOUCHER, Mr. BROWN of California, Mr. CAMPBELL of Colorado, Mr. CARDIN, Mr. CLAY, Mr. DEFazio, Mr. DOWNEY, Mr. EVANS, Mr. GEREN of Texas, Mr. GLICKMAN, Mr. HORTON, Mr. JONTZ, Ms. KAPTUR, Mr. KILDEE, Mr. KLUG, Mr. LEACH of Iowa, Mr. LEHMAN of California, Mrs. LOWEY of New York, Mr. MARTINEZ, Mr. McHUGH, Mr. MINETA, Mr. MORAN, Mr. MRAZEK, Mr. NAGLE, Mr. PEASE, Mr. RANGEL, Mr. ROE, Mr. SCHEUER, Mr. SHARP, Ms. SLAUGHTER of New York, Mr. TRAXLER, Mr. UDALL, Mrs. UNSOELD, Mr. VENTO, Mr. WALSH, Mr. WAXMAN, Mr. WILLIAMS, Mr. WILSON, Mr. WYDEN, and Mr. ZIMMER.

H.J. Res. 73: Mr. MRAZEK, Mr. FAZIO, Mr. LANCASTER, Mr. BILBRAY, Mr. JONTZ, Mr. OWENS of Utah, Mr. INHOFE, Mr. TOWNS, Mr. MARTINEZ, Mr. EMERSON, and Mr. MCGRATH.

H.J. Res. 79: Mr. BARTON of Texas, Mr. HALL of Texas, Mr. LIPINSKI, Mr. STUMP, Mr. ARMEY, and Mr. MOLLOHAN.

H.J. Res. 88: Mr. APPELEGATE, Mr. CAMPBELL of Colorado, Mr. COSTELLO, Mr. HATCHER, Mr. HORTON, Mr. HUCKABY, Mr. JEFFERSON, Mr. JONTZ, Mr. LENT, Mr. LIPINSKI, Mrs. LOWEY of New York, Mr. MANTON, Mr. PAYNE of Virginia, Mr. SCHEUER, Mr. SKEEN, Mr. WALSH, and Mr. WYDEN.

H.J. Res. 92: Mr. YATES, Mr. GLICKMAN, Mr. WYDEN, Mr. SERRANO, Mr. GUARINI, Mr. ESPY, Mr. MILLER of California, Mr. WISE, Mr.

THOMAS of Georgia, Mr. TRAFICANT, Mr. BRYANT, Mr. RANGEL, and Mr. JEFFERSON.

H. Con. Res. 34: Mr. YOUNG of Alaska, Mr. MONTGOMERY, Mr. HORTON, Mr. McNULTY, Mr. ROE, Mr. MOLLOHAN, Mr. PANETTA, Mr. LIPINSKI, Mr. LANCASTER, Mr. FROST, Mr. JONTZ, and Mr. MCGRATH.

H. Con. Res. 37: Mr. SERRANO and Mr. SANDERS.

H. Con. Res. 38: Mr. DELLUMS, Mr. VENTO, Mr. CLAY, Mr. MARKEY, Mr. MRAZEK, Mrs. BOXER, Mr. BACCHUS, Mr. BRYANT, Mr. HAYES of Illinois, Mr. OWENS of Utah, and Mr. SKAGGS.

H. Con. Res. 56: Mr. KILDEE, Mr. EDWARDS of California, and Mr. PAYNE of New Jersey.

H. Res. 11: Mr. GEJDENSON.

H. Res. 14: Mr. ABERCROMBIE, Ms. KAPTUR, Mr. WEISS, Mr. FOGLIETTA, and Mr. MAZZOLI.

H. Res. 37: Mr. KOSTMAYER, Mr. MILLER of California, Mr. RANGEL, Ms. PELOSI, Mr. BRYANT, Mr. AUCCOIN, and Mr. ABERCROMBIE.

PETITIONS, ETC.

Under clause 1 of rule XXII,

22. The SPEAKER presented a petition of the National Medical Association, Washington, DC, relative to Medicaid; which was referred to the Committee on Energy and Commerce.